TREASURY DEPARTMENT
Washington

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FOR IMMEDIATE RELEASE

REMARKS BY THE HONORABLE DOUGLAS DILLON
SECRETARY OF THE TREASURY
AT THE OPENING OF THE ABA CAMPAIGN, "CALLING ALL COINS"
ROOM 4121, MAIN TREASURY BUILDING, WASHINGTON, D.C.
WEDNESDAY, OCTOBER 14, 1964, 11 AM, EDT

I am happy to be here this morning to help President William F. Kelly of the American Bankers Association open its "Calling All Coins" campaign to help alleviate the coin shortage this fall.

The Treasury is glad to cooperate in this campaign because the shortage of circulating coins is an immediate and serious problem. Although the Government has minted enough coins to handle all the nation's normal needs, a substantial number of these have disappeared from circulation at a time when the demand for coins is greater than we have ever known before.

The demand has increased for a number of reasons, including the steady growth in population and business and increased use of vending machines and parking meters. There has also been a phenomenal rise in the number of amateur coin collectors, from 2 to 10 million in the past 5 years -- although the real problem has been coin speculators. These speculators have been buying up coins in quantity and keeping them off the market in hopes of higher numismatic value.

The Treasury is working both its mints -- at Denver and Philadelphia -- twenty-four hours a day, seven days a week and as a result, this year (Fiscal 1965) they will produce almost twice as many coins as they did last year (Fiscal 1964). At present the mints are producing almost 20 million coins a day. This means that production is running at an annual rate of more than 7 billion coins, compared to a rate of 4.3 billion during fiscal 1964.

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Meanwhile the sixty additional coinage presses now being purchased and installed by the Mint will bring coin production up to an annual rate of more than 9 billion coins early in 1965. That will give us a total production for fiscal year 1965 of eight billion coins, nearly double last year's output. In addition, plans for a new mint in Philadelphia are moving forward. Furthermore, in order to discourage coin hoarding by speculators, for the present new coins minted in 1965 will continue to carry the 1964 date.

That means that we can look forward to the end of the coin shortage next year. However, in the meantime the temporary shortage of coins poses a serious problem particularly with the approach of the Christmas holidays and the expected increase in buying which always takes place at that time.

For that reason, the ABA campaign at this time will perform a very real public service by increasing the voluntary return of coins to circulation and lessening the strain on the existing supply.

The truth is that the habit many people have of emptying the change from their pocket or purse into the bureau drawer or some other place of temporary safe-keeping has contributed materially to the coin shortage. By encouraging people to return these coins to circulation, the American Bankers Association is helping to avoid the possibility of this temporary shortage developing into a real nuisance for both retailers and consumers.

I am sure that public-spirited citizens will be quick to return to circulation whatever change they may have tucked away, and the combined result of this campaign and the increase in coin production should help to relieve what otherwise might have developed into a critical coin shortage.

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